

**31A-27a-705 Unclaimed and withheld funds.**

- (1)
  - (a) If any funds of the receivership estate remain unclaimed after the final distribution under Section 31A-27a-703, the funds shall be placed in a segregated unclaimed funds account held by the commissioner.
  - (b) If the owner of any of the funds described in Subsection (1)(a) presents proof of ownership satisfactory to the commissioner within two years after the day on which the delinquency proceeding terminates, the commissioner shall remit the funds to the owner.
  - (c) The interest earned on funds held in the unclaimed funds account may be used to pay any administrative costs related to the handling or return of unclaimed funds.
- (2)
  - (a) If any amounts held in the unclaimed funds account remain unclaimed for two years after the day on which the delinquency proceeding terminates, the commissioner may file a motion for an order directing the disposition of the funds in the court in which the delinquency proceeding was pending.
  - (b) Any costs incurred in connection with the motion made under this Subsection (2) may be paid from the unclaimed funds account.
  - (c) A motion under this Subsection (2) shall identify:
    - (i) the name of the insurer;
    - (ii) the names and last-known addresses of the one or more persons entitled to the unclaimed funds, if known; and
    - (iii) the amount of the funds.
  - (d) Notice of the motion shall be given as directed by the court.
  - (e) Upon a finding by the court that the funds have not been claimed within two years after the day on which the delinquency proceeding terminates:
    - (i) the court shall order that a claim for unclaimed funds, and any interest earned on the claim that has not been expended under Subsection (1), is abandoned; and
    - (ii) the funds shall be disbursed under one of the following methods, the amounts may be:
      - (A) deposited in the general receivership expense account under Subsection (3);
      - (B) transferred to the state treasurer and deposited into the General Fund; or
      - (C)
        - (I) used to reopen the receivership in accordance with Section 31A-27a-803; and
        - (II) distributed to the known claimants with approved claims.
- (3) The commissioner may establish an account for the following purposes:
  - (a) to pay general expenses related to the administration of receiverships; or
  - (b) to advance funds to a receivership that does not have sufficient cash to pay its operating expenses.
- (4) Any advance to a receivership estate under Subsection (3)(b) may be treated:
  - (a) as a claim under Section 31A-27a-701 as may be agreed at the time the advance is made; or
  - (b) in the absence of an agreement described in Subsection (4)(a), in a priority determined to be appropriate by the receivership court.
- (5) If the commissioner determines at any time that the funds in the account created in Subsection (3) exceed the amount required, the commissioner may transfer the funds or any part of the funds to the state treasurer, and the transferred funds shall be deposited into the General Fund.

Enacted by Chapter 309, 2007 General Session